

EXHIBIT 3

In the Matter Of:

IN RE: PORK ANTITRUST LITIGATION

SHAYLE SHAGAM

June 01, 2022



1 THE WITNESS: Not directly. I mean
2 I only knew what sort of -- about it through
3 the impacts on, on the prices that I was
4 provided with by the grains committees.

5 BY MS. COTTRELL:

6 Q And do you remember the Renewable Fuel
7 Standard ultimately allocated more corn for fuel?
8 Do you remember that?

9 A I remember the discussion, yes.

10 MR. RISSMAN: Objection; form and
11 foundation.

12 BY MS. COTTRELL:

13 Q And do you remember what was the impact,
14 in your view, of the Renewable Fuel Standard on
15 corn prices?

16 A To the extent that there was an
17 increased demand for, for corn, it resulted in
18 higher corn prices.

19 Q And if we look again at page 51 at the
20 top, the second sentence, it says, "Returns to
21 U.S. meat and poultry production fall from those
22 in recent years, slowing increases in or reducing
23 production of all meats over the next several
24 years."

25 Do you see that?

1 A Yes, I do.

2 Q Okay. Can you just help us understand,
3 in lay people's terms, what you're trying to say
4 there.

5 A Well, essentially, the higher grain
6 prices reduce the money, the returns that
7 producers would have received and, therefore,
8 resulted in either slower growth than would have
9 been attributed had there not been that increase
10 in grain prices, or actually result in reduced
11 production.

12 Q And just to unpack it again for a jury
13 one day who might not be as familiar with this
14 stuff, when we say "grain prices," what does that
15 include?

16 A Generally, the primary feed components
17 that we would be looking at would be corn and
18 soybean meal prices, though, with the advent of
19 renew -- with the advent of ethanol, we did look
20 at the price, the variability in the prices of
21 grain, distillers grains, which is the byproduct
22 of the ethanol production, as a substitute feed
23 source.

24 Q This sentence talks about all meats, the
25 production being slowed for all meats over the

1 next several years. What meats? What are being
2 -- you know, what's being referred to?

3 A When we discuss it, we are primarily --
4 for the purposes of this baseline, we are
5 primarily talking about beef, pork, chicken and
6 turkey.

7 Q And is it fair to say that high feed
8 costs can affect the production of all three of
9 those meats, cattle, broilers, hogs?

10 A Since feed is an important component of
11 production, higher feed costs relative to the
12 return the producers received for their final
13 output, which in their case would be the chickens
14 or the hogs or the cattle, would, could impact the
15 production, the producing -- the production
16 decision -- sorry -- of those slowing down growth
17 if the returns fell.

18 Q So back in the winter of '06, the USDA
19 and the team of economists, you're looking
20 forward, and you all are projecting that, for
21 cattle, broilers and hogs, there will either a
22 slowing in the increasing or a reducing of the
23 production of supply of those proteins?

24 A That's correct.

25 MR. RISSMAN: Object to form.

1 cannot tell you the precise percentage, but
2 they do represent a percentage of, of U.S.
3 hogs that are, hogs that are slaughtered in
4 the United States.

5 BY MS. COTTRELL:

6 Q Do you remember at some point
7 regulations related to labeling of pork products
8 changing that came in from Canada?

9 A I do.

10 MR. RISSMAN: Object to form and
11 foundation.

12 BY MS. COTTRELL:

13 Q I think it's known as the COOL
14 regulation?

15 A Yes.

16 Q What was COOL?

17 A It was a requirement that products --
18 that meat products would be labeled by country of
19 origin, whether the product was from an animal
20 that was born in the United States or raised in
21 the United States, slaughtered in the United
22 States, or a combination thereof.

23 So it would say the -- potentially it
24 could have said that it was a product of another
25 country. It could also have said that it was

1 produced from an animal that was born and raised
2 in another country or born in another country and
3 raised in the United States and slaughtered in the
4 United States.

5 Q Did COOL have an impact on the number of
6 imports the U.S. received from Canada?

7 MR. RISSMAN: Object to form.

8 MR. BERGMAN: Objection.

9 THE WITNESS: I honestly don't,
10 don't know.

11 BY MS. COTTRELL:

12 Q Okay. Going back to this first bullet
13 again, "Pork production declines between '09 and
14 2011 in response to higher feed prices," let me
15 just make sure I understand how the USDA thinks
16 about this.

17 Are you all thinking about this from the
18 perspective of the hog producer, whether or not
19 the hog producer is going to make money or lose
20 money when you're thinking about supply?

21 A Yes.

22 MR. RISSMAN: Object to form.

23 BY MS. COTTRELL:

24 Q And why are you thinking about it from
25 the perspective of the hog producer versus sat a

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1 packer that doesn't own any hog farms?

2 MR. RISSMAN: Object to form.

3 THE WITNESS: The producer produces

4 the animals. He then has to market those

5 animals. He can't keep those animals

6 indefinitely. They're not, they're not

7 really a -- you can keep them a short period

8 of time, but again, you will continue to

9 incur feed costs.

10 So it's the return that the

11 producer receives that will determine his

12 decisions about whether he's going to

13 increase or decrease production.

14 From the standpoint of a

15 meatpacker, they will be looking at the --

16 their feeling of what the demand for the

17 finished product the pork will be versus the

18 availability of the hogs. Do they have

19 enough hogs available from various producers

20 to fill their, to fill their needs, and, you

21 know, what price do they pay for those

22 animals?

23 So, but at the beginning of the

24 day, given the biology and the time delays,

25 it is going to be the producer who is going

1 to be responsible for making that decision
2 about whether or not they're going to be
3 increasing or decreasing the number of hogs
4 available.

5 BY MS. COTTRELL:

6 Q Let me ask this. This might be like an
7 overly simplistic question, but when we say here,
8 you know, production is going to decline in '09 to
9 2011, how exactly -- like what is the mechanism by
10 which a hog producer can reduce production? I
11 mean they have animals coming. Can you just put
12 some meat on the bones?

13 A Well, you have to look at it --

14 MR. RISSMAN: Object to form.

15 THE WITNESS: I'm sorry.

16 Again, you have to look at it from
17 a time period. I mean a producer who has
18 hogs on the ground right now is going to have
19 to pay the prices for the feed grains or send
20 those hogs to slaughter early.

21 A producer who has not yet raised
22 those hogs can make a decision. If you think
23 prices are going to be high in the future for
24 corn, for feed, a feed input, will the
25 potential returns you're going to be looking

1 at be sufficient to encourage you to, to have
2 the sows -- to keep the sows, to have the
3 sows give birth, knowing full well that it's
4 going to be six months after that pig is born
5 before it's going to be ready to go to
6 market?

7 So from a, from a producer
8 standpoint, you're having to always kind of
9 look at at least a nine-month horizon between
10 the time you even breed the animal, not
11 including any times about whether or not you
12 want to retain females to add to the breeding
13 heard, because again, there's about a four-
14 month lag between the time you breed the
15 animal and the time she gives birth, and then
16 about a six-month lag between -- four to six
17 months between the time that animal is born
18 and the time it's ready to go to slaughter.

19 So the producer can make decisions
20 going forward, but the decision they make now
21 is going to be, going to be affecting that
22 stream of animals or that stream of pork at
23 some point in time in the future, not at the
24 current time.

25

1 something you do have to consider.

2 BY MS. COTTRELL:

3 Q Why, if I'm thinking about supply in the
4 future, do I have to consider or do you think I
5 have to consider what I'm selling my hogs for and
6 the cost of producing those hogs?

7 MR. RISSMAN: Object to form.

8 THE WITNESS: They are -- we assume
9 that hog producers are attempting to make
10 money, you know. You obviously, you
11 cannot -- over the long term, you can't sell
12 for less than it would cost you to produce
13 it. You'll go bankrupt.

14 Conversely, if you seem to be
15 making a lot of money, you might think maybe
16 I want to make a little bit more, and I will
17 expand production.

18 BY MS. COTTRELL:

19 Q When we're talking about hog sales
20 prices, who are the hog producers selling to?

21 A Generally they're selling to slaughter
22 plants.

23 Q What's known as the packers?

24 A Packers, yes.

25 Q And if I'm a packer, do I want to buy

1 hogs for less money or more money?

2 A In general, you know, basic economics
3 would tell you you're going to try to minimize
4 your costs, so you would try and buy the hogs for
5 the least amount of money it would take to get the
6 hogs that you need.

7 Q And are hogs typically cheaper when
8 there's a ton of supply of hogs or when hog supply
9 is tight?

10 THE REPORTER: I'm sorry. Can you
11 repeat?

12 MS. COTTRELL: Yes.

13 MR. RISSMAN: Object to form.

14 BY MS. COTTRELL:

15 Q Are hogs typically lower priced when
16 there is a significant supply of hogs or a really
17 tight supply of hogs?

18 MR. RISSMAN: Object to form.

19 THE WITNESS: In a, in a world
20 where nothing else changes, you would think
21 the hog prices would generally be lower
22 during periods of high, of high -- would be
23 lower during periods of higher supply, but
24 you also have to balance that against -- just
25 like the hog producer, you have to balance

1 that against the demand side, what is
2 happening to pork demand.

3 So you could have very, very strong
4 pork demand and an increase in hogs and still
5 have higher prices if the demand supported
6 the fact that people wanted to eat more,
7 wanted to eat more pork, for example.

8 (Exhibit 6 was marked for
9 identification.)

10 BY MS. COTTRELL:

11 Q Okay. Handing you what I've marked as
12 Exhibit 6, do you recognize Exhibit 6 to be titled
13 "Outlook for Livestock and Poultry," presented
14 Friday, February 27th of '09?

15 A Yes.

16 Q And was this authored by you?

17 A It was.

18 Q And presented by you?

19 A It was.

20 Q A true and accurate copy of the
21 presentation you gave?

22 A Yes.

23 Q Created and kept in the regular course
24 the business?

25 A Yes.

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1 to the extent that there was expansion caused
2 prices to decline, you would argue that the
3 market forces were -- you had more hogs than
4 you needed, but I don't -- again, I, I
5 couldn't respond to the term of expansion.

6 BY MS. COTTRELL:

7 Q In the next sentence they talk about the
8 U.S. hog sector being "unfairly linked to the
9 emergence of the [novel] H1N1 influenza."

10 Do you see that?

11 A I do.

12 Q Do you recall this issue, that there was
13 a concern about H1N1 and that impacting demand in
14 the pork sector at all?

15 MR. RISSMAN: Object to form and
16 foundation.

17 MR. BERGMAN: Objection.

18 THE WITNESS: I cannot recall there
19 being that case.

20 BY MS. COTTRELL:

21 Q It goes on in the next paragraph to say
22 "Hog production is cyclical," and this is
23 something I've seen in a number of papers. We can
24 take a look at some more. Let me just ask you:
25 Have you herd this before, this idea that hog

1 production is cyclical?

2 A I have.

3 MR. RISSMAN: Object to form and
4 object to the narrative.

5 BY MS. COTTRELL:

6 Q What's -- I just am trying to figure it
7 out. What's your understanding of what it means
8 to say hog production is cyclical?

9 A Again, a lot of this is tied to the
10 biology of the animals, but yeah, producers will
11 expand production until prices reach a certain
12 level, usually lower, because, as we discussed,
13 the higher production leads to lower -- tends to
14 lead to lower prices, all other things being
15 equal, at which point the producers will begin to
16 liquidate, reduce the number of animals in
17 response to the fact that their costs have been
18 squeezed or gone negative, at which point hog
19 prices begin to increase, and with the increase in
20 hog prices, all other things being equal,
21 producers begin to expand again.

22 So the cyclical nature is that you
23 increase production, prices decline, you reduce
24 production, prices increase, and that, that
25 becomes a cyclical nature and would tend to

continue over time.

Q Would you say that, in general, there's a cyclical nature to hog production?

MR. BERGMAN: Form and foundation.

THE WITNESS: I think that the cyclical nature has diminished over time with changes in the structure of the industry, but I believe there is still a component that, yeah, prices reach a certain level and become unsustainable for production at those prices, and production will decline, and then as production declines, again, assuming the demand remains the same, all other factors remain the same, you know, those higher prices will trigger an expansion. The timing of it may have changed over time, but I do believe that, that there is still a cyclical nature to production, yes.

BY MS. COTTRELL:

Q And I know you haven't been in it since '73, but since '86, has that been true since 1986 in terms of what you witnesses?

MR. RISSMAN: Object to form.

MR. BERGMAN: Foundation.

THE WITNESS: It has. It has

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1 changed, as I said. We went through -- back
2 in 1999, we went through a major
3 restructuring of the hog industry, which
4 probably changed some of its cyclical nature,
5 because prior to 1999, we had a group of
6 producers who were mixed producers, they
7 would tend to produce hogs and maybe grain,
8 and when -- if hog prices were good, they
9 would keep a few more hogs, still relying on
10 the grain side. If grain prices were poor or
11 hog prices were poor, they might choose to
12 sell the grain and not raise hogs, versus is
13 if hog prices are good and grain is cheap,
14 you might choose to raise more hogs.

15 A lot of those, a lot of those
16 operators, operations left the industry in
17 1999, and that's when we began to see the
18 rise of more contracting, the rise of more
19 vertically integrated operations, and to some
20 extent has that has changed the nature, but
21 over time, yes, I would say that since, you
22 know, since my experience, there's been a
23 cyclical nature.

24 BY MS. COTTRELL:

25 Q Would you say that there's been a rise

1 Do you see that?

2 A I do.

3 Q Are you familiar -- and I know you
4 didn't prepare this particular chart, but are you
5 familiar with this type of data?

6 A Yes.

7 MR. RISSMAN: Object to form.

8 BY MS. COTTRELL:

9 Q You use it?

10 A Yes.

11 Q And the red line, am I right that that's
12 representing, at a high level, in the aggregate,
13 whether or not hog producer are making or losing
14 money?

15 MR. RISSMAN: Object to form and
16 foundation.

17 MR. BERGMAN: Same objections.

18 THE WITNESS: In its, in its larger
19 sense, yes, I mean I assume that that line --
20 again, I did not prepare the chart, but I
21 assume that that represents the difference
22 between those upper two bars of the value of
23 sales versus the costs.

24 BY MS. COTTRELL:

25 Q And if you look with me like between

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1 let's just say April '04 to January of '06, that
2 time period, the red line is showing that hog
3 producers are generally making a profit. Given
4 that, what would the USDA expect in the aggregate,
5 at a high level, hog producers to do with respect
6 to supply?

7 A We would expect --

8 MR. RISSMAN: Object to form.

9 THE WITNESS: We would expect to
10 see an expansion.

11 BY MS. COTTRELL:

12 Q And if you look with me, things turn a
13 little south. If we go to, you know, January '08
14 all the way to July '09, hog producers, it looks
15 like, are losing money?

16 A Correct.

17 Q And what would the USDA --

18 MR. RISSMAN: Object to form;

19 mischaracterizes the document.

20 BY MS. COTTRELL:

21 Q And what would the USDA expect -- again,
22 at a high level -- hog producers to do if they're
23 losing money for that extended period of time?

24 MR. RISSMAN: Object to form.

25 THE WITNESS: We would expect them

1 to reduce production.

2 MS. COTTRELL: Okay. Tab 62, and
3 Tab 62 will be Exhibit 8.

4 (Exhibit 8 was marked for
5 identification.)

6 BY MS. COTTRELL:

7 Q Let me know if you recognize Exhibit 8
8 to be a presentation by the World Agricultural
9 Outlook Board titled "Outlook for U.S. Livestock
10 and Poultry in 2010" by Joel L. Greene.

11 A I do.

12 Q Do you know Mr. Greene?

13 A I do.

14 Q You all worked together?

15 A He was my deputy for a number of years.

16 Q He reported to you?

17 A Yes.

18 Q To the best of your knowledge, is
19 Exhibit 8 a true and accurate copy of the
20 presentations made on the USDA Outlook for
21 Livestock and Poultry in 2010?

22 A Yes, it is.

23 Q Prepared and kept in the regular course
24 of USDA's business?

25 A It was.

1 Q Would this be like the type of
2 presentation that would happen at that conference
3 you talked about?

4 A It is.

5 Q And if you look with me, page 3, it says
6 "Weak Demand in 2009 Impacts the Meat Sector," and
7 then the last bullet says "recession compounds
8 losses for the sector."

9 A Yes.

10 Q Can you just tell me what's being
11 portrayed on the slide? What are those points
12 getting at?

13 A Well, the first is --

14 MR. BERGMAN: Object.

15 THE REPORTER: What was the
16 objection?

17 MR. BERGMAN: Objection; foundation
18 and form from Mr. Bergman.

19 THE WITNESS: Well, the first is
20 the producers were likely losing money or
21 possibly just have very, very weak returns,
22 which was the high feed prices that we
23 discussed earlier, and those were expected to
24 carry into their production decisions in
25 2009.

1 The recession that we discussed
2 would have had impact on meat demand, which
3 would have been pushing from the other end to
4 reduce the prices, likely reduce prices for
5 pork, given the supplies, and then work its
6 way back down the chain to lower hog prices.

7 BY MS. COTTRELL:

8 Q All right, and if you jump with me to
9 slide 4, it says "Meat Production Falls in 2009,"
10 and then it says "beef, pork, broiler meat and
11 turkey."

12 A Yes.

13 Q Are these forecasts, or is this -- at
14 this point in time? We're only in February of --
15 we're in February of 2010, so these are -- excuse
16 me -- these are looking backwards?

17 A That's correct.

18 Q Okay. So fair to say that it's not just
19 in pork that we saw a reduction in supply, but we
20 saw it across all the proteins?

21 MR. RISSMAN: Object to form.

22 THE WITNESS: Yes.

23 BY MS. COTTRELL:

24 Q Are there commonalties across all those
25 proteins that would lead all of them to be

1 reducing supply?

2 MR. RISSMAN: Object to form.

3 THE WITNESS: Again, all of them
4 are reliant on feed prices, all of them are
5 reliant on income from the demand side, so,
6 you know, in that respect, those
7 commonalities, the costs facing all of those
8 producers would be higher, and the cost --
9 and the returns or the prices received for
10 those animals might have been -- again,
11 without looking at the actual numbers, yeah,
12 the prices for those animals would have been
13 lower as well.

14 BY MS. COTTRELL:

15 Q If you go to the next slide, it actually
16 says at the top "Livestock and Poultry Prices
17 Lower in 2009."

18 Do you see that?

19 A I do.

20 Q And it says "Percent Change, 13.8."
21 What does that 13.8 represent?

22 A It means that prices fell 13.8 percent
23 between the average, the average annual hog price
24 fell between -- fell 13.8 percent between 2008 and
25 2009.

1 BY MS. COTTRELL:

2 Q There's a chart there that says "Hogs
3 Sold by Transaction."

4 Do you see that, Mr. Shagam?

5 A I do.

6 Q Mr. Shagam, are you aware that the USDA
7 collects data on whether or not hogs are owned by
8 a packer versus a producer versus sold on the
9 stock market, et cetera?

10 A Yes, I am.

11 Q And if you look with me at this chart
12 where it says "Hogs Sold by Transaction," this is
13 small font, so I do apologize, but it says
14 "Percent Packer Owned," and it has a purple line.

15 A Okay.

16 Q Mine looks somewhat purple. Do you see
17 it?

18 A I believe so.

19 Q Okay, and then if you look at with me at
20 the purple line, if we just look at 2009, it looks
21 like what's being reported is somewhere in the
22 realm of, I don't know, 20, mid 20 percent of hogs
23 were owned by the packers.

24 Do you see that?

25 A Yes.

1 Q And then over time, the number
2 fluctuates between '08 and 2016, somewhere
3 between -- you know, looks like 25 percent to
4 maybe 30 percent or so?

5 A Yes.

6 Q Do you see that?

7 Okay. So am I understanding this chart
8 correctly that 30 percent of the hogs are owned
9 fully by the packer, or around, roughly, depending
10 on the year; is that right?

11 A They have owned them for -- according to
12 the definition, they will have been owned them for
13 at least 14 days before slaughter.

14 Q And then the other 75 percent of the
15 hogs that are ultimately slaughtered are purchased
16 by the packers from independent producers.

17 Is that your understanding of the data?

18 A Yes.

19 MR. RISSMAN: Object to form.

20 MR. BERGMAN: Form and foundation.

21 BY MS. COTTRELL:

22 Q And there's a variety of purchase
23 arrangements. There could be spot purchases, for
24 example; is that right?

25 A That's correct.

1 Q There could be market formula purchases,
2 for example?

3 A That's correct.

4 Q But at the end of the day, what that
5 75 percent represents are packers negotiating with
6 hog producers to buy those hogs?

7 MR. RISSMAN: Object to form.

8 MR. BERGMAN: Foundation and form
9 objections.

10 THE WITNESS: Well, not
11 necessarily. I mean, again, because in some
12 cases it may be a formula. I mean they've
13 agreed upon a formula at a previous time, and
14 that formula has various cost components or
15 some sort of basis in what happens in the
16 market, but it's not, you know, it's not
17 negotiated at the time the individual sells
18 the hogs.

19 BY MS. COTTRELL:

20 Q Right, so they could be contracts, for
21 example, for a year period of time that set the
22 price, for example?

23 A Correct.

24 MR. RISSMAN: Object to form.
25

1 smaller amount of hogs to meet their, their
2 desired levels of slaughter.

3 Q So the tight supply of the slaughter
4 hogs at this point in time meant that the packers
5 had to pay more for those hogs as a general
6 matter?

7 A On average, yes.

8 MR. RISSMAN: Object to form.

9 BY MS. COTTRELL:

10 Q And that there was such a tight supply
11 of hogs actually meant that the packer margins
12 shrunk here, in this example?

13 MR. RISSMAN: Object to form.

14 MR. BERGMAN: Form and foundation.

15 THE REPORTER: Can you say the
16 question again? I'm sorry.

17 BY MS. COTTRELL:

18 Q That there was a tight supply of hogs at
19 this point in time meant that the packers' margins
20 were tightening, meaning getting smaller; is that
21 right, Mr. Shagam?

22 A That would be --

23 MR. RISSMAN: Object to form.

24 MR. BERGMAN: Form and foundation
25 objections.

1 THE WITNESS: That would be
2 correct.

3 BY MS. COTTRELL:

4 Q And the reason, as reported here, is
5 because packers ended up having to pay 13 percent
6 more for slaughter hogs than they had a year ago?

7 MR. RISSMAN: Object to form.

8 THE WITNESS: Yes. It was a
9 combination of -- yes, yes. It was a --
10 according to this, it would have been because
11 they had to pay more for their hogs.

12 BY MS. COTTRELL:

13 Q And can you just help me understand why
14 a tighter supply of hogs means that packer margins
15 might shrink? Just help me understand the
16 connection.

17 A Given that you are having to pay more
18 for those -- a fewer number of animals, you're
19 having to pay a higher price, and you're not
20 necessarily able to recoup that by selling the
21 wholesale value of those animals -- the wholesale
22 value of those cuts at a higher price to offset,
23 fully offset the increase in your acquisition
24 costs of the hogs.

25 Q Can the reverse here also be true, that

1 when there is an abundant supply of hogs, my
2 packer margin can widen because I'm buying them
3 cheaper?

4 MR. RISSMAN: Form and foundation.

5 Incomplete hypothetical.

6 THE WITNESS: Yes.

7 MS. COTTRELL: And in fact, let's
8 take a look at another document. It's Tab
9 301. I'm marking Tab 301 as Exhibit 18.

10 (Exhibit 18 was marked for
11 identification.)

12 BY MS. COTTRELL:

13 Q Let me know if you recognize Exhibit 18
14 to be a copy of the USDA Livestock, Dairy and
15 Poultry Outlook, dated November 16, 2016, as
16 approved by the World Agricultural Outlook Board.

17 A I do.

18 Q Okay, and true and accurate copy to the
19 best of your knowledge?

20 A Yes.

21 Q Created and kept in the regular course
22 of business to the best of your knowledge?

23 A Yes.

24 Q And if we could jump to page 7,
25 everyone, and it's going to be the bottom

1 the recovery in the hog sector." It goes on to
2 say, "Facing higher costs and struggling
3 financially, some smaller producers started to
4 liquidate their inventories in the second half of
5 the year, a trend expected to continue into 2013."

6 Do you see that?

7 A I do.

8 Q Again, help me understand this phrase
9 "liquidate their inventories." What's being
10 communicated here as you understand it?

11 A That they are --

12 MR. RISSMAN: Object to form.

13 MR. BERGMAN: Objection.

14 THE WITNESS: That they are
15 reducing the number of animals in their
16 operations.

17 BY MS. COTTRELL:

18 Q And so whether or not we're in the U.S.
19 or whether or not we're in Canada, the same
20 dynamics are at play. We're looking at hog
21 producer returns, we're looking at feed costs,
22 we're looking at what packers and others are going
23 to pay for those hogs?

24 MR. RISSMAN: Objection; form,
25 foundation, calls for expert testimony.

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1 MR. BERGMAN: Objection.

2 THE WITNESS: That would be
3 correct.

4 BY MS. COTTRELL:

5 Q All right. I'm going to jump around a
6 little bit. I'm going to jump back to exports.

7 Okay. Do you recall there being trade
8 restrictions in place that limited the exports of
9 pork by Russia and some other countries in, you
10 know, the 2008 to 2014 time period?

11 MR. RISSMAN: Object to form.

12 THE WITNESS: 2008 to 2014?

13 BY MS. COTTRELL:

14 Q Yes.

15 A I can't remember specifics, but
16 possibly, yes.

17 Q Let me just ask a more general question.
18 In your experience, do -- does the
19 volume of exports relate to whether or not there's
20 a trade ban in place?

21 MR. RISSMAN: Object to form.

22 THE WITNESS: It can. It doesn't
23 necessarily always happen, but it can, yes.

24 BY MS. COTTRELL:

25 Q And have things like the Korean and U.S.

1 trade agreement helped export growth, in your
2 opinion?

3 MR. RISSMAN: Same objections.

4 MR. BERGMAN: Calls for expert
5 testimony.

6 THE WITNESS: In my opinion, yes.

7 BY MS. COTTRELL:

8 Q Why?

9 A It's opened up opportunities for U.S. to
10 compete in another market, potentially offering
11 opportunities to increase our exports.

12 Q Okay. You know I'm at the end when I'm
13 jumping topics around, but I'll orient you to
14 where I'm going.

15 Have you attended any trade association
16 meetings such as meetings of AMI, American Meat
17 Institute?

18 A During this time period in question?

19 Q Yeah, '08 to the present.

20 A The only one I would have possibly
21 attended would have been the U.S. Meat Export
22 Federation, which is one of the trade promotional
23 organizations, but in terms of, in terms of
24 national pork producers or in terms of the
25 American Meat Institute or North American Meat

260

1 Institute as they are called now, no.

2 Q And that organization you just
3 mentioned, I think you said the U.S. Meat Export?

4 A Export Federation, yes.

5 Q Is your understanding that the purpose
6 of that group is exactly what their name would
7 suggest, which is to promote exports?

8 A That is correct.

9 Q And why did you go to that meeting?

10 A A, I was invited, and B, once I went
11 there as a speaker to present again sort of the
12 USDA outlook, and also to, you know, hear from
13 them what they were -- how they were viewing
14 potential export markets.

15 Again, part of the WASDE process is, you
16 know, to try and gather as much information as
17 possible. We then filter it. It's not, it's not
18 taken as is. We look at, you know, look at the
19 data, you know, we don't take it as is, but we
20 look at how the information -- we look at the
21 information in the context of other pieces of
22 information, other data.

23 So a lot of -- occasionally at these
24 meetings, they will have individuals from their
25 offices overseas do presentations on how they see